

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

Rita Boppana,

Complainant,

vs.

Southern California Gas Company,

Defendant.

Case 00-05-010  
(Filed May 11, 2000)

And Related Matters.

Case 00-05-011  
(Filed May 11, 2000)  
Case 00-05-012  
(Filed May 11, 2000)

**ADMINISTRATIVE LAW JUDGE'S RULING  
REGARDING GRASSROOTS COALITION ET AL.'S NOTICE OF  
INTENT TO CLAIM COMPENSATION**

This ruling responds to a notice of intent (NOI) to claim compensation filed by Grassroots Coalition and Spirit of the Sage Council (Grassroots ) on

September 24, 2001, in the above-referenced consolidated proceeding.<sup>1</sup> Southern California Gas Company (SoCalGas) filed a response on October 5, 2001. This ruling addresses the requirements of the Public Utilities Code, Division 1, Part 1, Chapter 9, Article 5, § 1804.<sup>2</sup>

Under § 1804(a)(1), “[a] customer who intends to seek an award under this article shall, within 30 days after the prehearing conference is held, file and serve on all parties to the proceeding a notice of intent to claim compensation.” In the consolidated proceedings an initial prehearing conference (PHC) was held on September 8, 2000. A temporary stay in the proceeding was ordered at that PHC, therefore that PHC will not be considered as the triggering event for the filing of a NOI. A second PHC was held on August 24, 2001. Grassroots filed the NOI on September 24, 2001.<sup>3</sup> Grassroots’ NOI was timely filed.

Section 1804(a)(2) sets forth those items that must be addressed in an NOI. Pursuant to Decision (D.) 98-04-059, this ruling must determine whether the intervenor is a customer, as defined in § 1802(b) and identify whether the intervenor is a participant representing consumers, a representative authorized by a customer, or a representative of a group or organization that is authorized by its bylaws or articles of incorporation to represent the interests of residential

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<sup>1</sup> On May 11, 2000, Rita Boppana, Christine Storey, and Albert Jibilian each filed a Case (C.) 00-05-010, C.00-05-011, C.00-05-012, respectively. On September 8, 2000, the Commission consolidated the three separate complaints.

<sup>2</sup> All statutory references are to the Public Utilities Code.

<sup>3</sup> The 30 days would have expired on September 23, 2001, but it was a Sunday. Therefore, the 30 days was extended to the next business day, September 24, 2001.

ratepayers. Once the applicable definition of customer is identified, the correct standard of “significant financial hardship” can be applied.

### **Customer Status**

Grassroots identifies itself as a non-profit citizen advocacy group representing the interests of Playa del Rey residents and customers of SoCalGas in investigating the operations of SoCalGas at its Playa del Rey gas storage facility. Grassroots claims it is authorized to represent the residents and consumers in advocating their interests before the California Public Utilities Commission (Commission). Grassroots will have 10 days from the date of this order to supply the Commission with an updated list indicating the identities of the residential customers that authorized Grassroots to represent them.

Grassroots also asserts that it assisted Boppana, Storey, and Jibilian in the drafting and filing of their complaints. In addition, Grassroots has actively participated on behalf of the complainants at all Commission proceedings to date in the consolidated proceedings.

SoCalGas challenged whether Grassroots established eligibility for compensation since the Commission reaffirmed in D.98-04-059 that “complainant[s] pursuing a purely personal claim not representative of any public interests and not for the benefit of a class of customers” are not eligible for compensation. (D.98-04-059, 72 CPUC2d 628 at 645, citing, D.95-10-050.) SoCalGas contends that the three homeowners who filed the complaints have a “strong personal interest in the outcome” of this proceeding.

The Commission is mindful of the unique factual situation present in this consolidated proceeding and is only making a preliminary analysis of Grassroots’s eligibility to claim intervenor compensation—not whether

Grassroots will have met all the procedural, financial, and substantial contribution eligibility requirements that might merit it a compensation award.

Pursuant to D.98-04-059, Finding of Fact 13, an intervenor must show that it will represent customer interests that would otherwise be underrepresented. At this point in the proceeding, Grassroots is the most active party representing the interests of the residents of the Playa del Rey area in advocating their concerns about SoCalGas' operation of its gas storage facility and fields. There are other community action groups, such as the Wetlands Action Network, who are also participating in this proceeding. However, to date, there does not appear to be a duplication of effort between the advocacy groups. Grassroots should coordinate its activities with all other active parties in the proceeding to avoid any undue duplication of work.

The Commission is currently undertaking a Health Risk Assessment (HRA) of the SoCalGas Playa del Rey storage fields and facility, and in light of this study SoCalGas questions whether Grassroots' efforts are really necessary. The Commission can anticipate that Grassroots would argue that the HRA was undertaken because of the efforts of Grassroots. The Commission does know that Grassroots was instrumental in alerting it to the potential health and safety problems concerning the SoCalGas facility.

It should be mentioned that while the Commission staff is commissioning the HRA, the study is inchoate, data is still being gathered, and there have been no evidentiary hearings, testimony, or documentary evidence that confirms that Grassroots' allegations of problems are true. In fact, SoCalGas claims to have data and evidence to support its position that it is maintaining and operating the gas storage facility in a manner that insures the safety and health of the residents.

### **Financial Hardship**

Section 1804(a)(2)(B) allows the customer to include a showing of significant financial hardship in the NOI. Alternatively, the required showing may be made in the request for award of compensation. For a group or organization, § 1802(g) defines financial hardship as a state in which “the economic interest of the individual members of the group or organization is small in comparison to the costs of effective participation in the proceeding.” Although Grassroots claims to make a showing of financial hardship in its NOI, merely reciting that both of its member organizations (Grassroots Coalition and Spirit of the Sate Council) are non-profit organizations is not sufficient. Grassroots may attempt to make the required showing in its request for award of compensation.

### **Planned Participation**

Section 1804(a)(2)(A)(I) requires NOIs to include a statement of the nature and extent of the customer’s planned participation in the proceeding to the extent this can be predicted. Grassroots has already actively participated in the proceeding by assisting the complaints in drafting the complaints, attending a tour of the SoCalGas facility (September 7, 2000), the initial PHC (September 8, 2000), a second PHC (August 24, 2001) and expects to actively pursue discovery, prepare testimony, participate in any hearings that are conducted, and submit briefs and comments as required.

### **Estimated Compensation Request**

Section 1804(a)(2)(A)(ii) requires that NOIs include an itemized estimate of the compensation the customer expects to receive. At this time, Grassroots estimates a total projected budget of \$122,020 for this proceeding. Grassroots’ proposed budget for this matter is as follows:

Ms. McPherson/Ms. Knight	(2,300 hours @\$25/hour)	\$57,500
Attorney Larry Teeter	(25 hours @\$200/hour)	\$ 5,000
Expert Dr. Tek	(Retainer \$5,000, \$350/hour, testimony \$450/hour)	\$15,000
Experts John Robertson and Dr. Endes	(175 hours @ \$200/hour)	\$ 35,000
Travel		\$ 1,520
Estimated expenses		\$ 3,000
Total		\$122,020

This ruling does not address the merits of Grassroots' final compensation claim. The reasonableness of the hourly rates requested for Grassroots' attorneys and expert witnesses will be addressed in the Request for Compensation. A finding of eligibility in no way ensures compensation (Section 1804(b)(2)).

**IT IS RULED** that:

1. Grassroots Coalition and the Spirit of the Sage Council's (Grassroots) Notice of Intent was timely filed.
2. Grassroots alleges it is authorized to represent the interests of Playa del Rey residents and customers of SoCalGas. Grassroots has 10 days from the date of this ruling to supply an updated list identifying the individuals that have authorized Grassroots to represent their interests in this proceeding.
3. Grassroots failed to meet the requirement of Public Utilities Code Section 1804(a), establishing significant financial hardship. Grassroots may attempt to make the required showing in the request for compensation.

4. Grassroots fulfilled the requirements of § 1804(a)(2)(A) by providing a statement of the nature and extent of its planned participation and an itemized estimate of the compensation it expects to request.

5. A finding of eligibility in no way assures compensation.

6. Parties requesting compensation shall make every effort to reduce duplication of contribution.

Dated October 26, 2001, at San Francisco, California.

/s/ CAROL A. BROWN

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Carol A. Brown  
Administrative Law Judge

## **CERTIFICATE OF SERVICE**

I certify that I have by mail this day served a true copy of the original attached Administrative Law Judge's Ruling Regarding Grassroots Coalition et al.'s Notice of Intent to Claim Compensation on all parties of record in this proceeding or their attorneys of record.

Dated October 26, 2001, at San Francisco, California.

/s/ FANNIE SID

Fannie Sid

## **N O T I C E**

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to insure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.